

NATIONAL DEFENSE UNIVERSITY

NATIONAL WAR COLLEGE

A STRATEGY FOR IRAN

LTCOL GARY THOMAS, USMC
COURSE 5601
FUNDAMENTALS OF STRATEGIC LOGIC
SEMINAR G

PROFESSOR
DR MICHAEL MAZARR

ADVISOR
COL RICK SCHWARTZ

Report Documentation Page				Form Approved OMB No. 0704-0188	
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE 2004		2. REPORT TYPE		3. DATES COVERED 00-00-2004 to 00-00-2004	
4. TITLE AND SUBTITLE A Strategy for Iran				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) National War College, 300 5th Avenue, Fort Lesley J. McNair, Washington, DC, 20319-6000				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT see report					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES 14	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			

A STRATEGY FOR IRAN

Although the United States continues to focus on operations in Iraq and Afghanistan, recent developments in Iran have thrust the Islamic republic into the international spotlight. At the center of the debate are the major strides that Iran's nuclear program has made recently. Currently, Iran is developing three nuclear facilities, each of which may be able to produce nuclear weapons in the next few years. In addition, the Iranian government is still split between the moderates led by President Khatemi and the radical clerics led by Supreme Leader Ali Khamene'i.¹ As a result, it is difficult to determine who has the upper hand and what effect that struggle is having on national policy. Finally, Iran remains the most active state sponsor of terrorism according to the State Department.² This continues to disrupt the Israeli-Palestinian peace process and negatively impacts U.S. policy in the region.

What then should be the strategy for Iran? The Bush administration continues with most of the containment policies begun by the Clinton administration.³ But does this strategy take the correct approach? Some argue that current policy toward Iran is largely ineffective.⁴ Recent events support this claim. Instead of a hard line stance, perhaps a more nuanced approach might produce better results. Therefore, the United States' strategy for Iran should be to prevent the acquisition of nuclear weapons, promote regime change, and deter support for terrorism. This can best be accomplished through a series of carrots as well as sticks in order to achieve the desired outcome. The means of this "smart engagement" will be primarily the diplomatic, economic, and informational instruments of power.

In order to understand why this is the correct approach for Iran, it is helpful to look at the strategic environment. The United States has recently toppled two governments in the Persian Gulf region and has a large number of troops on the ground there. As a result of the American

decision to go to war in Iraq, many countries view the U.S. as being too aggressive. This has strained relations with some allies and has used up a fair amount of political capital. At the same time, Iran sees itself as a potential target for American military might.⁵ Although Iran's WMD programs receive assistance from Russia, China, and North Korea, Tehran is increasingly producing much of its nuclear infrastructure independently.⁶ Specifically, Iran has used Pakistan and other parties to develop a uranium enrichment capability using centrifuges.⁷ In addition, Iran now has the 800nm range Sahab-3 missile capable of reaching Israel.⁸

Inside Iran, the people continue to be unhappy with the repressive clerics who continue to hold significant power. These clerics, led by Supreme Leader Ali Khamene'i and the Council of Guardians hold ultimate veto power and continue to block reform efforts. Since 1997, however, President Khatemi and other reformers have consistently received large majorities of the popular vote. Many of these men have expressed an interest in having better relations with the United States.⁹ These events provide a helpful backdrop in developing an effective strategy for Iran.

A Strategy of "Smart Engagement" Assumptions

Based on the strategic context, a strategy of "smart engagement" assumes that Iran already has most of the technology needed to build nuclear weapons, that it can still be persuaded not to acquire these weapons, that international support is required for the strategy to succeed, and that military action to address United States concerns is simply not practical.

According to the Nonproliferation Policy Education Center, the nuclear plant at Bushehr could produce a large number of bombs by 2006.¹⁰ Although some leaders in Iran clearly want nuclear weapons, that desire is not universal. According to Ali Reza Aghazadeh, a Khatemi advisor on nuclear issues, "Peace and stability cannot be achieved by means of nuclear

weapons.”¹¹ Whether the Iranians decide to acquire nuclear weapons or not, they clearly have the technology they need.

In order to convince the Iranian government that it is in their best interest to not cross the nuclear weapon threshold, the United States will require international support. While the United States has tried to enforce broad sanctions against Iran, countries like France and Germany have invested heavily there and have a much closer relationship with Tehran than they did with Baghdad.¹² As a result, American sanctions have had only a minor effect and have done more to isolate the U.S. rather than Iran. Any strategy will require broad participation in order to be effective.

Finally, it is important to note that a strategy using the military instrument is simply not practical at this time. One has to assume that the American people are unlikely to support a preemptive attack against Iran while Americans are engaged in Iraq and Afghanistan. In addition, military action would further isolate the U.S. from the international community at a time when America is working hard to repair relationships with longstanding allies. Although precision strikes could be used to remove much of Iran’s nuclear infrastructure, these attacks would result in a Chernobyl effect because of the release of nuclear material into the atmosphere. The resulting loss of life and environmental damage would be unacceptable. While the United States should never rule out the use of any instrument entirely, it is important to understand the likely consequences of using that instrument.

National Interests at Stake

Before looking at how “smart engagement” should be implemented, it is important to understand America’s interest, Iran’s interest, and the threat that the Islamic republic presents. America’s national interest in relation to Iran includes preventing a nuclear attack on the

homeland or its allies, ensuring the free and stable flow of oil from the region to the world, and preventing Iranian destabilization of the Israeli-Palestinian peace process. The necessity for physical security is self-evident. The reason that the flow of oil from the Persian Gulf is so important is because the global economy built over the last 50 years depends on oil to function. If that oil were not available, the global economy would collapse.¹³ America has an interest in stamping out terrorist activity in Israel because of the United States' special relationship with that country and the tendency of terrorism to lead to further instability in the region.

Iran's interests, on the other hand, include ensuring access to international markets for its oil, protecting itself from United States attack, supporting Muslim movements abroad, and eliminating outside influence in the region. The Persian Gulf is Iran's most important outlet to petroleum markets and is critical to the country's economic stability. One of the reasons that Iran feels that it must prepare to protect itself from attack is because of President Bush's decision to include them in the "axis of evil."¹⁴ In addition, by looking at a map of the region, it is easy to see that the United States is in almost all of the countries that border Iran. This presumably must make the Iranians uncomfortable. Supporting Muslim movements abroad and eliminating outside influence in the region reflect the influence of Islam on national policy. All of these things must be taken into account when developing a strategy to deal with Iran.

What then is the threat that Iran poses to the United States? The development of nuclear weapons and the promotion of instability among other gulf states and in Israel present a significant threat to U.S. interests. While an Iran with nuclear weapons is unsettling, it is highly unlikely that the Islamic republic would directly attack the United States. This would invite swift and severe retribution. A more likely scenario is for a radical Iran to provide nuclear material to terrorists.¹⁵ If a terrorist group could successfully carry out an attack, it would cause

much more destruction and loss of life than the events of September 11th, and it would embolden terrorists and make the United States look weak. Another problem with Iranian nuclear advances is that they may have a significant effect on proliferation elsewhere in the region.¹⁶ The promotion of instability among other gulf states presents a threat because it may disrupt the flow of oil from the Persian Gulf. Although the promotion of terrorism in Israel does not affect U.S. interest to the same degree as the other two, it still contributes to instability in the region and results in the expenditure of additional political capital and treasure.

In order to determine what “ways” should be used to ensure that this strategy is a success, it is helpful to look at cases where countries have given up their nuclear weapons programs voluntarily. South Africa is a good example of this. At the end of the 1980s, Pretoria realized that nuclear deterrence was no longer needed, and its nuclear weapons were coming at a high cost politically and economically.¹⁷ In their minds, their weapons were no longer needed because the Soviet Union had collapsed, Namibia was now independent, and hostilities had come to an end in Angola resulting in the withdrawal of 50,000 Cuban troops. In addition, the government realized that destroying its weapons and signing the Nuclear Nonproliferation Treaty (NPT) would greatly improve its international relations, particularly with other African countries.¹⁸ This in turn would create economic opportunities previously unavailable. In order to develop an effective strategy for Iran then, the United States should take a page from the South African example and try to create conditions that remove the perceived threat from America and offer significant political and economic benefit.

It will be very difficult to convince Iran that U.S. intentions are benign as long as a large number of American forces remain in the region. Although the United States may attempt to convince the Iranians that U.S. forces are not arrayed against the Islamic republic, Iran is more

likely to make its assessment based on U.S. actions in Afghanistan and Iraq. As a policy goal then, the United States should attempt to reduce its military presence in the Persian Gulf to the absolute minimum.¹⁹ Although current events in Iraq and Afghanistan make this very difficult in the short term, the U.S. should attempt to establish a downward trend. While a certain number will always be required, the United States must remember that a large number of forces will result in greater tension with countries like Iran. Iran must also be offered incentives in return for giving up a weapons program that might protect it from what it considers a serious threat. This is where the carrots of “smart engagement” come into play.

But what kind of carrot should the United States offer? Foran and Spector offer three hypotheses that should be considered when formulating a strategy. The first hypothesis is that the application of an incentives strategy is more likely to be successful when the states involved are friendly states. The second point is that the stronger the motive to proliferate, that is the more security dominant, the more lucrative the incentives package must be to gain agreement. Finally, the lower the sunk costs of nuclear weapons development, the more likely the proliferator will accept an incentive.²⁰ Since Iran is not a friendly state, regularly states intense concern about the threat the U.S. poses, and has already invested a great deal into its program, the incentives offered must be significant.

The first carrot that the United States should offer is a willingness to remove its opposition to Iran’s civilian nuclear program in exchange for discontinuing its pursuit of nuclear weapons.²¹ This move would be significant because it provides legitimacy to the Iranian nuclear program, and it also sends a conciliatory message that might open the door for diplomatic contact and better relations in the future. It would also help justify the sunk costs that the Iranians have already made.

The U.S. should also offer to help integrate Iran into the global economy as long as the Islamic republic holds up its end of the bargain. Specifically, the United States should support access to the International Monetary Fund and permit American investment in that country.²² These steps will be of tremendous economic benefit to Iran. This approach along with a reduced U.S. military presence in the region may well convince Iran that the development of nuclear weapons is not in their best interest.

In return for the United States commitment to Iran, however, the Islamic republic must be willing to sign the additional protocols of the NPT. The additional protocols allow no notice inspections and would make the Iranian program much more transparent. An attractive aspect to this approach is that it enjoys broad international support, particularly among countries that we have recently had sharp disagreements with. According to Dominique de Villepin of France, “It is essential to continue confidence building measures, in particular by signing the additional protocols of the Nuclear Nonproliferation Treaty.”²³ If Iran is found to be in non-compliance, the issue could be referred to the U.N. Security Council.²⁴ The United States should press for this option if necessary, in order to bring maximum international pressure on the Islamic republic. The additional protocols of the NPT are the most effective method for ensuring that Iran is meeting its treaty obligations. By setting the conditions that encourage Iran to sign the additional protocols, the United States is likely to enjoy a greater degree of international support for its overall strategy.

In addition to creating incentives that reward positive behavior, the United States must look for ways to be more effective in its application of sanctions if Iran proceeds with its weapons program. Currently, the United States favors an approach that not only punishes Iran for its policies but also sanctions foreign companies that invest there. For example, the Iran and Libya

Sanctions Act mandates U.S. sanctions against any firm that invests more than \$40 million a year in Iran's energy sector. This effectively punishes allies who do not share the same hard line policy as the United States.²⁵ At the same time, the European Union, whose bilateral trade with Iran was \$12 billion in 2000, is negotiating an additional trade pact with the Islamic republic.²⁶ The net result is that the impact on the target country is relatively small, and Iran is able to play the United States off its allies to weaken American policy. In addition, unilateral sanctions by the U.S. give the repressive clerics ammunition to incite the Iranian population against the United States. This has negative long-term consequences. According to a detailed country-by-country survey performed by Chantal de Jonge Oudraat, a country like Iran with an authoritarian regime is less vulnerable to sanctions anyway.²⁷

In order to be successful then, any sanctions regime must be part of a coordinated effort. The United States should work with other key nations to better understand their interests in the region and establish policies that help U.S. allies as well as shape Iranian behavior.²⁸ It is important for the United States to understand the economic ties that many countries have with Iran and be willing to offer them alternatives should sanctions be required. For example, the U.S. might leverage its influence in Iraq to ensure countries like France and Russia enjoy economic opportunities there that would offset economic losses with Iran should sanctions be required. The goal then would be to approach Iran with a multilateral sanctions policy. This approach would be more forceful because a greater number of countries would participate, and it would be more sustainable over the long term because the interests of each country are considered before hand.

The risk associated with a strategy of "smart engagement", of course, is that Iran will continue to try to acquire nuclear weapons in spite of U.S. efforts. Although this is a distinct

possibility, “smart engagement” would still have some benefits. First, the current international inspections regime under the NPT is likely to slow Iranian nuclear weapons development. This buys time to make policy adjustments as the situation dictates. Second, a strategy that offers Iran significant carrots provides a genuine opportunity for Iranians to improve their situation domestically as well as internationally if they choose to take it. In addition, a coordinated sanctions effort is much more likely to cause Iran to reconsider pursuing nuclear weapons than the current unilateral approach. Finally, the United States would have greatly increased its moral authority by working with the international community. If firmer measures become necessary, this will presumably make it easier for the United States to obtain international support.

While preventing Iran from acquiring nuclear weapons is an extremely important goal, promoting regime change is also very important. A more moderate regime may be more likely to abandon the pursuit of nuclear weapons as well as increase ties with the international community. However, achieving this goal may take much more time. A key aspect of the strategy to promote regime change is to foster continued popular support for moderates like President Khatemi. The best way to accomplish this is through public diplomacy. Radio and television provide the best opportunity to communicate with the Iranian people the United States’ desire to develop a friendly relationship. It can also point out some of the tangible economic benefits of participating in the international community. Broadcasts can provide a reliable news source that the Iranian people would come to trust; and to the extent that the Iranian population can make a connection between more moderate policies and the improvements that they can bring, the message of the hard line clerics would be undermined. Currently, Radio Farda broadcasts around the clock from Prague into Iran.²⁹ Although this is a good first step, the U.S. must use all modern means to ensure that the American message is

effective. Public diplomacy efforts must include research on Iranian public opinion, a rapid response capability to counter erroneous information about U.S. policy, and an effort to engage Iranian Americans to help in the development of message campaigns.³⁰ The fact that President Khatemi was re-elected with 77% of the vote in 2001 may be an indication that change is coming.³¹ Public diplomacy may assist in that change.

Finally, the United States must look for ways to deter Iranian support for terrorism during the transition period to a more moderate regime. Iran currently opposes the Middle East peace process and supports groups such as Hizbollah, Hamas, and Palestinian Islamic Jihad.³² As the United States seeks to curb Iranian terrorist support, it is important that the U.S. not abandon “smart engagement” at the slightest provocation. The stakes for nuclear weapons proliferation are too high. Nevertheless, the United States should continue to be harshly critical of terrorist support and aggressively apply pressure where it can be effective. A study by the RAND Corporation identifies eight actors in a terrorist system. These include: top leaders, lieutenants, foot soldiers, recruiters, supportive population segments, external suppliers, and heads of supportive states.³³ By applying specific carrots and sticks, the U.S. can influence four of the eight actors. For example, the European Union is linking Iranian human rights practices and terrorism sponsorship to a trade pact that would lower tariffs or increase quotas for Iranian exports.³⁴ This may be a logical approach for the United States because it targets a supportive state that also acts as an external supplier. In addition, by staying engaged with the Israeli-Palestinian peace process, the U.S. is more likely to drain the swamp of Arab discontent. As a result, the supportive population segments are pacified, and the number of foot soldiers is reduced. This ultimately diminishes the impact of Iranian support. Finally, the United States should ask Russia to act as a go between on terrorism issues. The fact that Iran has largely

refrained from supporting the Islamic fighters in Chechnya points to the success of Russian diplomacy in that area.³⁵

The strategy of “smart engagement” attempts to achieve United States objectives in Iran by offering a series of carrots in addition to the traditional sticks. Recent events have shown that preventing the acquisition of nuclear weapons, promoting regime change, and deterring support for terrorism cannot be achieved through current containment policies. While there is some risk associated with this approach, it is flexible enough to adjust to changing circumstances. In addition, it provides a genuine opportunity for Iran to improve its standing in the international community as well as strengthen its economy at home. Most importantly, it provides a framework that builds moral authority allowing the United States to lead a powerful coalition of nations instead of trying to force its will upon Iran alone.

REFERENCES

¹ Kenneth Katzman, “Iran: Current Developments and U.S. Policy,” CRS Issue Brief for Congress, June 2003, Summary.

² Katzman, 4.

³ Katzman, Summary.

⁴ Zbigniew Brzezinski, Brent Scowcroft, and Richard Murphy, “Differentiated Containment,” Foreign Affairs 76, no. 3 (1997): 20.

⁵ Ray Takeyh, “Iran’s Nuclear Calculations,” World Policy Institute, August 2003, 23.

⁶ Takeyh, 27.

⁷ “Flawed Approaches on Iran,” Moscow Times, 1 September 2003, 1.

⁸ Katzman, 4.

⁹ Kenneth M. Pollack, “Securing the Gulf,” Foreign Affairs, July/August 2003, 6.

¹⁰ Lawrence F. Kaplan, “Iranamok,” New Republic 228, no. 22 (2003): 14.

¹¹ Takeyh, 24.

¹² Kaplan, 15.

¹³ Pollack, 3.

¹⁴ Takeyh, 22-23.

¹⁵ Kaplan, 15.

¹⁶ Pollack, 6.

¹⁷ J.W. de Villiers, Roger Jardine, and Mitchell Reiss, “Why South Africa Gave Up the Bomb,” Foreign Affairs, November/December 1993, 109.

¹⁸ De Villiers, Jardine, and Reiss, 102-103.

¹⁹ Pollack, 9.

²⁰ Virginia I. Foran and Leonard S. Spector, “The Application of Incentives to Nuclear Proliferation,” The Price of Peace (Lanham: Rowman and Littfield Publishers, 1997), 33.

²¹ Brzezinski, Scowcroft, and Murphy, 29.

²² Takeyh, 25.

²³ Takeyh, 27.

²⁴ Katzman, 3.

²⁵ Brzezinski, Scowcroft, and Murphy, 23.

²⁶ Kaplan, 15.

²⁷ Chatal de Jonge Oudraat, “Making Economic Sanctions Work,” Survival 42, no. 3 (2000): 116.

²⁸ Brzezinski, Scowcroft, and Murphy, 28.

²⁹ Katzman, 2.

³⁰ Anthony J. Blinken, “Winning the War of Ideas,” The Washington Quarterly, Spring 2002, 106-110.

³¹ Katzman, 2.

³² Katzman, Summary.

³³ Paul K. Davis and Brian Michael Jenkins, “Principles for Influencing Terrorists,” Deterrence and Influence in Counterterrorism: A Component in the War on Al Qaeda (Santa Monica: RAND, 2002), 15.

³⁴ Katzman, 13.

³⁵ Takeyh, 27.